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ABSTRACT

A fact sheet reported medical care costs incurred and funding sources received by county and local governments in Blaine and Hill Counties, Montana, to provide care for indigent Indians. Data obtained from county clerk and recorder offices and welfare departments showed that Blaine County spent about 1% of its operating revenue on indigent medical care in fiscal years 1982-85 and incurred 21% of its indigent medical care costs for Indians in fiscal years 1984-85. Hill County spent 2% of its operating revenue on indigent medical care in fiscal years 1982-85 and incurred 32% of its indigent medical care costs for Indians. Neither county received federal funds for indigent medical care during the 4-year period. Property taxes provided 95% of Blaine County funds and 94% of Hill County funds for indigent medical care; 18.4% of Blaine County's and 4% of Hill County's property tax base were found to be nontaxable Indian lands comprising the Fort Belknap and Rocky Boy Reservations. Four tables provide county revenue/cost schedules and county costs for indigent Indian medical care; four figures illustrate sources of funding. (LFL)

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United States General Accounting Office

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Fact Sheet for Congressional Requesters

March 1986

INDIAN HEALTH

Budgetary Effects of Indigent Indians' Medical Costs on Two Montana Counties

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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

March 31, 1986

B-222205

The Honorable Mark Andrews, Chairman
The Honorable John Melcher, Ranking Minority Member
Select Committee on Indian Affairs
United States Senate

This fact sheet is in response to your June 27 and July 24, 1985, letters and later discussions with your offices, requesting us to provide information on the (1) medical care costs that counties and local governments had incurred for indigent Indians' medical care and (2) the amount of federal funds, if any, these governments had received for this purpose. We agreed to begin our work in Blaine and Hill Counties, Montana, because they have Indian reservations within their boundaries and had expressed concern about medical care costs for indigent Indians. We also agreed to brief your offices on the results of this work and decide whether additional counties should be surveyed.

While our work was conducted mainly in Blaine and Hill Counties, we gathered background and statistical information from the Indian Health Service in Rockville, Maryland, and the Bureau of Indian Affairs and the Office of Management and Budget in Washington, D.C.

In Blaine and Hill Counties, we focused on the office of the county clerk and recorder, which has budget and accounting responsibilities, and the welfare department, which has administrative responsibilities for the indigent medical care program. We interviewed county officials concerning the sources and expenditures of funds that were published in the counties' annual budgets and annual financial records, and we analyzed these financial documents. We relied on the state-audited financial statements to determine the counties' revenues and expenditures for fiscal years 1982-85.

We discussed the counties' indigent medical care eligibility standards with county welfare officials and reviewed the counties' welfare case files on all persons who, according to the county welfare department, were indigent Indians and had received county medical assistance. We relied on the evidence in the welfare files to determine whether the indigent clients were Indian and the amounts the counties had paid for their

medical care were accurately stated. To protect the privacy of the welfare clients, we agreed not to disclose their identity. Accordingly, we did not verify the clients' race or the nature of their illness with sources outside the county welfare department.

For fiscal years 1982-85 combined, Blaine County spent $134,676 (about 1 percent of its $12.7 million operating revenues) for indigent medical care. The county could not identify its medical care costs for indigent Indians for fiscal years 1982 and 1983. For fiscal years 1984-85 combined, the county spent $13,239 (about 21 percent of the $64,319 it spent for indigent medical care) on care for Indians. Over fiscal years 1982-85, Hill County spent $412,762 (about 2 percent of its $18.9 million operating revenues) for indigent medical care. During that period, the county spent $134,104 (about 32 percent of its total indigent medical care expenditures) on care for Indians. The two counties received no federal funds for indigent medical care during these 4 years.

On December 3 and 20, 1985, we briefed your offices on the results of our work. We agreed that we would prepare a fact sheet on the results of our work and that no further work was needed at that time. We have discussed these results with Blaine and Hill County officials and considered their views in developing this document.

Unless you publicly announce its contents earlier, we plan no further distribution of this fact sheet until 10 days from its issue date. At that time, we will send copies to the Montana department of social and rehabilitation services, Blaine and Hill County officials, and other interested parties. Also, copies will be available to others on request.

Should you need additional information on the contents of this document, please call me on 275-5451.

Franklin A. Curtis

Franklin A. Curtis
Associate Director

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BUDGETARY EFFECT OF INDIGENT INDIANS' MEDICAL COSTS ON TWO MONTANA COUNTIES

Under Montana state law, the county government is responsible for providing medical care for the indigent. Each county may be governed by either three or five elected county commissioners, one of whom serves as chairman of the board. The board is authorized to levy and collect property taxes to fund indigent medical care. Property taxes have been the principal source of funds for indigent medical care in Blaine and Hill Counties. The two counties received no federal funds for indigent medical care costs during fiscal years 1982-85.

COUNTY MEDICAL CARE FUNDING AND COSTS FOR THE INDIGENT

For fiscal years 1982-85 combined, Blaine County spent $134,676 (about 1 percent of its $12.7 million operating revenues) for indigent medical care. The county could not identify its medical care costs for indigent Indians for fiscal years 1982 and 1983. For fiscal years 1984-85 combined, the county spent $13,239 (about 21 percent of the $64,319 it spent for indigent medical care) on care for Indians. Over fiscal years 1982-85, Hill County spent $412,762 (about 2 percent of its $18.9 million operating revenues) for indigent medical care. During that period, the county spent $134,104 (about 32 percent of its indigent medical care expenditures) on care for Indians.

These payments were made to physicians, hospitals, and clinics in cases where the counties determined that patients were financially unable to pay their medical bills. This assistance was provided to both non-Indians and Indians living either on or off a reservation.

Blaine County

As shown in table 1, Blaine County spent $134,676 for direct medical care of indigents during fiscal years 1982-85. This represented about 1 percent of its $12.7 million operating revenues and about 66 percent of the $204,900 appropriated for indigent medical care.

Table 1:
Blaine County
Revenue and Cost Schedule

	1982	1983	1984	1985	Total
Total operating revenues	$2,757,297	$3,012,783	$3,205,430	$3,695,942	$12,671,452
Amount of funds appropriated for indigent medical care	$21,200	$80,200	$68,200	$35,300	$204,900
Cost of indigent medical care:					
Non-Indians	a	a	$29,695	$21,385	$51,080[b]
Indians	a	a	10,104	3,135	13,239[b]
Total	$14,711	$55,646	$39,799	$24,520	$134,676[c]

[a]The county did not have records showing Indian and non-Indian indigent medical care cost for 1982 and 1983.

[b]Total cost for 1984 and 1985.

[c]Does not total down for reasons discussed in notes a and b.

According to the welfare director, the costs for indigent Indians during 1982 and 1983 could not be determined. She said that it was not until 1984, when a new record-keeping system was implemented, that she was able to distinguish indigent Indians who received medical assistance from non-Indian clients.

During fiscal years 1984 and 1985, the county spent $64,319 in direct medical care costs for indigents. Of this amount, the county spent $51,080, or 79 percent, on non-Indians and $13,239, or 21 percent, on Indians.

In addition, the county has $54,447 in contingent medical care costs. These costs were incurred during fiscal years 1984 and 1985 for an indigent Indian. The county denied payment for this client's medical care because his income at the time exceeded the county income eligibility standards for medical assistance. The medical care provider has appealed this denial to the state department of social and rehabilitation services. The county may be required to pay this client's medical bill if the state hearings examiner rules in favor of the provider.

During fiscal years 1984 and 1985, the county paid the cost of medical care assistance for three indigent Indians living on

the Fort Belknap reservation and four living off the reservation. Table 2 lists the seven indigent Indian medical care cases showing the Indians' medical costs and their residency.

Table 2:
Blaine County Costs for
Indigent Indian Medical Care

Case	1984	1985	Total
1	$ 141.53	-	$ 141.53
2	153.00	-	153.00[a]
3	527.02	-	527.02
4	592.52	-	592.52[a]
5	1,382.02	-	1,382.02[a]
6	-	$3,134.83	3,134.83
7	7,307.80	-	7,307.80
Total	$10,103.89	$3,134.83	$13,238.72

[a]Indians living on the reservation.

Hill County

As shown in table 3, Hill County spent $412,762 for direct medical care of indigents during fiscal years 1982-85 combined. This represented about 2 percent of its $18.9 million operating revenues and about 63 percent of the $654,200 appropriated for indigent medical care.

Table 3:
Hill County
Revenue and Cost Schedule

	1982	1983	1984	1985	Total
Total operating revenues	$4,390,665	$4,163,893	$4,498,687	$5,807,870	$18,861,115
Amount of funds appropriated for indigent medical care	$136,050	$183,050	$184,250	$150,850	$654,200
Cost of indigent medical care:					
Non-Indians	$ 86,541	$13,248	$115,222	$63,647	$278,658
Indians	13,512	75,762	31,950	12,880	134,104
Total	$100,053	$89,010	$147,172	$76,527	$412,762

Of the $412,762 direct medical care costs for indigents, the county spent $278,658, or about 68 percent, on non-Indians and $134,104, or about 32 percent, on Indians.

During fiscal years 1982-85, the county paid the costs of medical care assistance for 28 indigent Indians. Nine of them were living on the Rocky Boys reservation. Table 4 lists the 28 cases, showing the Indians' medical costs and their residency.

Table 4:
Hill County Costs for
Indigent Indian Medical Care

Case	1982	1983	1984	1985	Total
1	-	-	$ 15.07	-	$ 15.07
2	-	-	-	$ 29.64	29.64[a]
3	-	$ 86.26	-	-	86.26
4	-	-	-	108.36	108.36
5	$ 338.66	-	-	-	338.66
6	624.51	-	-	-	624.51[a]
7	-	876.55	-	-	876.55[a]
8	893.88	-	-	-	893.88
9	982.90	-	-	-	982.90
10	-	1,133.65	-	-	1,133.65[a]
11	-	-	1,152.51	-	1,152.51
12	-	1,495.39	-	-	1,495.39[a]
13	-	1,662.82	-	-	1,662.82
14	-	-	2,005.66	-	2,005.66
15	-	-	2,664.99	-	2,664.99
16	-	-	1,532.22	1,681.31	3,213.53
17	-	-	3,840.92	-	3,840.92
18	3,976.21	-	-	-	3,976.21
19	-	-	4,480.00	-	4,480.00[a]
20	-	-	4,772.09	-	4,772.09
21	-	2,497.03	2,651.15	-	5,148.18
22	-	5,567.29	-	-	5,567.29
23	4,170.84	1,700.34	-	-	5,871.18
24	2,524.93	3,017.12	927.00	-	6,469.05
25	-	6,238.26	2,812.50	-	9,050.76[a]
26	-	5,780.30	4,849.47	-	10,629.77
27	-	12,110.86	-	-	12,110.86[a]
28	-	33,596.66	246.74	11,060.14	44,903.54[a]
Total	$13,511.93	$75,762.53	$31,950.32	$12,879.45	$134,104.23

[a]Indians living on the reservation.

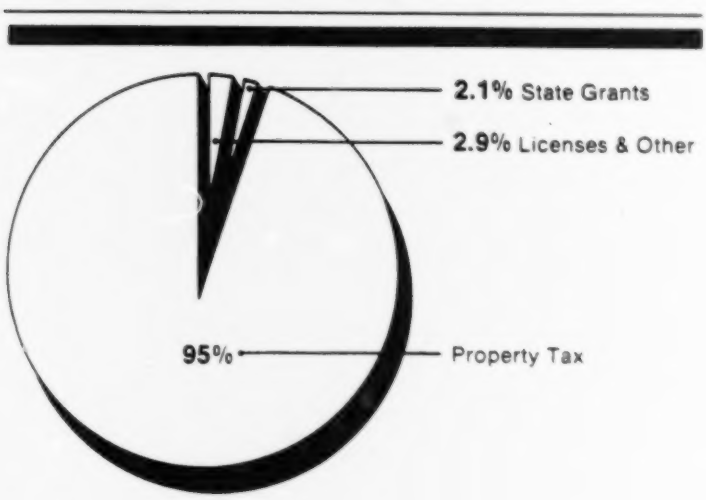
SOURCES OF COUNTY FUNDS FOR INDIGENT MEDICAL CARE

In Blaine and Hill Counties, property taxes have been the major source of funds for indigent medical care. The counties' property tax base consists mainly of privately owned land and improvements, but it does not include nontaxable Indian land.[1] For fiscal years 1982-85 combined, property tax revenues accounted for 95 percent and 94 percent, respectively, of the funds Blaine and Hill Counties appropriated for indigent medical care. The other sources of funds were nontax revenues, such as county licenses and state grants. The two counties received no federal funds for indigent medical care.

Blaine County

The Blaine County government appropriated $204,900 for fiscal years 1982-85 to fund its indigent medical care program. The major source of these funds, 95 percent overall, was county property tax revenues, as shown in figure 1.

Figure 1: Sources of Indigent Medical Care Funds
(Blaine County 1982-85)

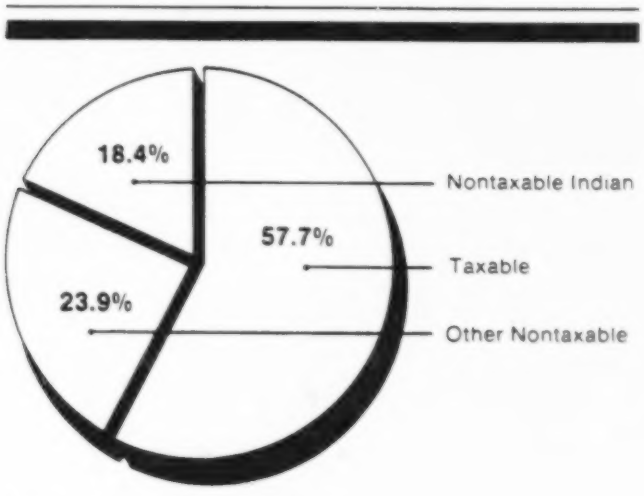


Data Source: County Clerk & Recorder

[1]Senator Melcher asked us to determine what percentage of land in Blaine and Hill Counties is nontaxable Indian property. See figures 2 and 4.

Blaine County's property tax base includes 1,579,319 acres. This base does not include 504,209 acres of nontaxable Indian land, which includes the Fort Belknap reservation, and 652,472 acres of other nontaxable land, such as county airports, schools, parks, and highways. Figure 2 shows a breakdown of the county's taxable and nontaxable land.

Figure 2: Taxable and Nontaxable Land (Blaine County 1985)

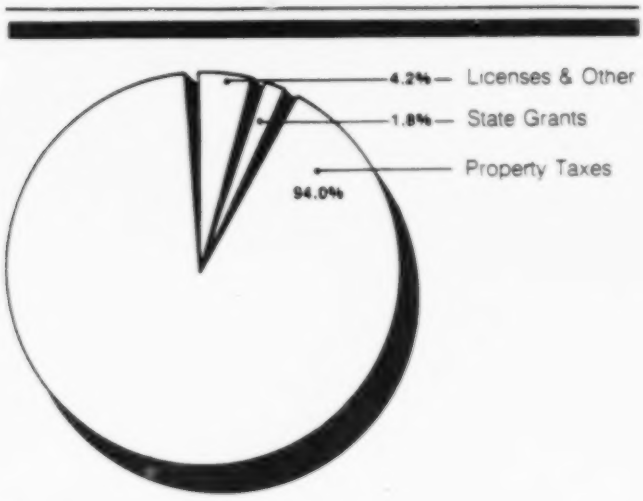


Data Source: State Tax Assessor's Office
Bureau of Indian Affairs

Hill County

The Hill County government appropriated $654,200 for fiscal years 1982-85 to fund its indigent medical care program. The major source of these funds, 94 percent overall, was county property tax revenues, as shown in figure 3.

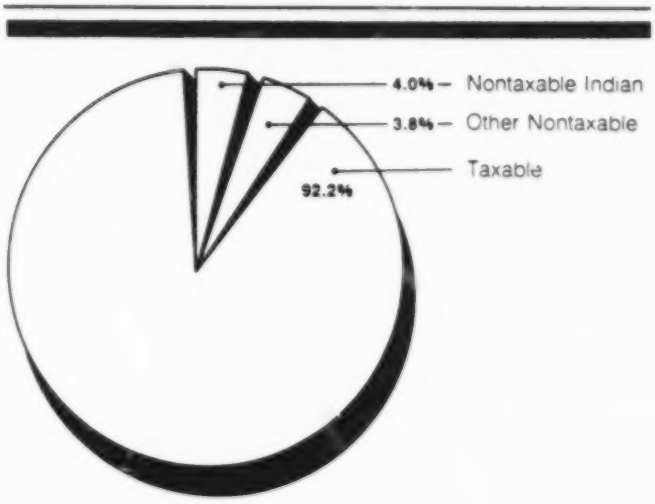
Figure 3: Sources of Indigent Medical Care Funds (Hill County 1982 - 85)



Data Source: County Clerk & Recorder

The Hill County tax base consists of 1,715,598 acres. Within its boundaries, the county also has 74,638 acres of non-taxable Indian land, namely the Rocky Boys reservation, and 70,244 acres of other nontaxable land, such as county airports, schools, parks, and highways. Figure 4 shows a breakdown of the county's taxable and nontaxable land.

Figure 4: Taxable and Nontaxable Land (Hill County 1985)



Data Source: State Tax Assessor's Office
Bureau of Indian Affairs

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